

**SCOTTSDALE AIRPORT
ADVISORY COMMISSION
PUBLIC MEETING
AVIATION BUSINESS CENTER CONFERENCE ROOM
15041 NORTH AIRPORT DRIVE, SCOTTSDALE, AZ**

FEBRUARY 8, 2006

MINUTES

PRESENT: Donald Maxwell, Chairman
Fred Madanick, Vice-Chairman
Sean Asmus
Tom Guilfooy
Mike Osborne
Leonard Tinnan
Lois Yates

STAFF: Scott Gray, Aviation Director
Chris Read, Assistant Aviation Director
Matt Johnson, Administration Specialist

PUBLIC: Troy Larson, President, Jet Aviation Detailing
Crystal Powell, CEO, All Out Aerial, Inc.
John Frevola, President, Corporate Jets, Inc.
Steven Laveck, Senior Vice-President, Landmark Aviation

CALL TO ORDER

Chairman Maxwell called the meeting to order at 5:58 p.m.

ROLL CALL

A roll call confirmed the presence of Commissioners as noted above.

PUBLIC COMMENT

None.

MINUTES

Commissioner Tinnan moved to approve the minutes of the January 11, 2006 meeting. Commissioner Osborne seconded the motion, which carried unanimously with a vote of seven (7) to zero (0).

AERONAUTICAL BUSINESS PERMITS

Ratification of Airport Aeronautical Business Permit for Jet Stream Aviation Detailing, L.L.P.

Mr. Matt Johnson presented information regarding ratification of the Airport Aeronautical Business Permit for Jet Stream Aviation Detailing, L.L.P. to provide aircraft washing services at Scottsdale Airport. Jet Stream Aviation Detailing, L.L.P. has provided the appropriate documentation as required. The associated permit fees are expected to generate approximately \$300 in annual revenue to the Aviation Enterprise Fund.

Mr. Johnson introduced Mr. Troy Larson, President of Jet Stream Aviation Detailing, L.L.P.

Commissioner Tinnan made a motion for ratification of the Airport Aeronautical Business Permit for Jet Stream Aviation Detailing, L.L.P. to provide aircraft washing services at Scottsdale Airport, as written. The motion was seconded by Vice-Chairman Madanick and carried unanimously with a vote of seven (7) to zero (0).

Ratification of Airport Aeronautical Business Permit for Sawyer Aviation, L.L.C.

Mr. Johnson presented information regarding ratification of the Airport Aeronautical Business Permit for Sawyer Aviation, L.L.C. to provide aircraft leasing, hull rental and flight training services at Scottsdale Airport. Sawyer Aviation, L.L.C. has provided the appropriate documentation as required. The associated permit fees are expected to generate approximately \$4,500 in annual revenue to the Aviation Enterprise Fund.

Mr. Johnson introduced Mr. Chad Verdaglio, President of Sawyer Aviation, L.L.C.

In response to a question by Commissioner Guilfooy, Mr. Johnson stated that Sawyer Aviation, L.L.C. is currently operating out of the Scottsdale FBO building. No flight training is taking place in the terminal.

Commissioner Osborne made a motion for ratification of the Airport Aeronautical Business Permit for Sawyer Aviation, L.L.C. to provide aircraft leasing, hull rental and flight training services at Scottsdale Airport, as written. Commissioner Yates seconded the motion, which carried unanimously with a vote of seven (7) to zero (0).

For the benefit of new Commissioners, Mr. Scott Gray, Aviation Director, displayed a sample of the framed permit that businesses can hang in their premises.

Ratification of Airpark Aeronautical Business Permit for All Out Aerial, Inc.

Mr. Johnson presented information regarding ratification of the Airpark Aeronautical Business Permit for All Out Aerial, Inc. to provide aircraft chartering services utilizing rotor wing aircraft in the Scottsdale Airpark. All Out Aerial, Inc. has provided the appropriate documentation as required. The associated permit fees are expected to generate approximately \$300 in annual revenue to the Aviation Enterprise Fund.

Mr. Johnson introduced Ms. Crystal Powell, CEO of All Out Aerial, Inc., who answered questions from the Commissioners regarding the proposed operation.

Commissioner Tinnan made a motion for ratification of the Airpark Aeronautical Business Permit for All Out Aerial, Inc. to provide aircraft chartering services utilizing rotor wing aircraft in the Scottsdale Airpark, as written. Commissioner Osborne seconded the motion, which carried unanimously by a vote of seven (7) to zero (0).

Aeronautical Business Permit Additions, Cancellations, or Revocations

Mr. Johnson presented information regarding Aeronautical Business Permit Additions, Cancellations, and Revocations and requested that the Commission review the distributed materials.

GENERAL BUSINESS

Discuss Proposed Changes to the Airport Rules and Regulations Regarding Derelict Aircraft

Mr. Chris Read, Assistant Aviation Director, noted that this was the third time the Commission has discussed the proposed change. He added that photos of some aircraft and rules and regulations from other nearby airports are included in Commissioners' packets. A further public comment is also included in the packet.

Commissioner Tinnan commented that staff provided language in effect from Williams Gateway, Glendale, and Show Low Airports. He preferred the Glendale regulation, which deals with the "prolonged storage of damaged or dismantled aircraft," as opposed to an instantaneous infraction. Secondly, the regulation provides for 30 days' notice by management before any action can be taken. Commissioner Tinnan opined that if the Commission pursues a rule, the deciding factor should be whether the aircraft appears to be flyable, rather than whether it is derelict. The last two lines from the Show Low Airport regulations should be added. This would allow for billing of any expenses and would absolve the City of liability for any damages.

Commissioner Guilfoxy remarked that the Airport Director has the discretion to take these actions under the terms of tenants' leases. He does not believe that creating a new rule is necessary.

Mr. Scott Gray, Aviation Director, advised the Commission that Commissioner Guilfoxy is correct. However, to his knowledge, staff has never cancelled a lease or tie-down agreement because of the appearance of an aircraft. Permits are only cancelled if tenants fail to comply with other rules or do not pay the rental fee. He opined that the key element is to put users on notice of what the criteria are. If the enforcement appears to be solely at staff discretion, this would put the Airport management and the City in a bad light. He suggested that staff could come back to the next meeting with specific wording for a new rule as an informational item.

Commissioner Guilfoxy asked whether some interim measure could be adopted until the new Master Plan, that may create long-term storage, comes into effect.

Mr. Gray cautioned Commissioners that the Master Plan process takes 12 to 18 months to get through the planning stage, after which funding would be needed before any new construction could occur. Upon further discussion, it was agreed that staff would draft a new rule for the Commission to consider at the next meeting.

In response to a question from Commissioner Guilfoxy concerning the Airpark, Mr. Gray noted that most aircraft at the Airpark are kept in hangars and that Zoning Enforcement polices the Airpark for Code violations.

Corporate Jets Request for City Consent to Proposed Assignments and Related Transactions to Transfer Three (3) Existing Leases at Scottsdale Airport to Piedmont Hawthorne Aviation, d/b/a Landmark Aviation

Mr. Gray reported that since the last meeting at which Mr. John Frevola advised the Commission that an interested party wished to purchase Corporate Jets leasehold interest, staff has worked with the City Attorney's Office, Corporate Jets and Landmark Aviation to prepare the paperwork for this transaction. He noted that information was included in the packets and distributed a lease summary showing when the terms of the leases end. Staff is awaiting some further documentation to complete the staff and legal analysis. Pending any other unforeseen issues, this issue should be resolved.

Mr. John Frevola, President, Corporate Jets, Inc., reported that his company signed a definitive agreement in December to sell its three Scottsdale Airport leaseholds to Landmark Aviation. This is a great opportunity that will benefit the Airport.

Steven Laveck, Senior Vice-President, Landmark Aviation, addressed the Commission. He noted that their corporate headquarters is in Tempe. They are excited about operating at a location near their headquarters. Following their standard practice, Landmark Aviation is hiring all of the employees from Corporate Jets.

In response to a question by Commissioner Yates, Mr. Laveck said there are currently 103 full-time employees.

In response to a question from Commissioner Guilfooy, Mr. Laveck explained that although the leasehold terms are mismatched, for the sake of the transaction, they are proceeding. In future, if a capital expansion plan is developed, they may return to the Commission.

Mr. Gray clarified that the existing leases contain provisions for City consent, so City Council action is not required. He also explained the right to sell fuel in relation to the aeronautical business permits.

Commissioner Tinnan welcomed Landmark Aviation to the Airport, noting their breadth of capability. Chairman Maxwell thanked Mr. Laveck and Mr. Frevola for appearing, and complimented them on the PowerPoint handout they provided.

OPERATIONS/ENFORCEMENT UPDATE

Airport Operations Enforcement Update for January 2006

Mr. Chris Read advised the Commission that the January 2006 operations update is included in the packets.

Vice-Chairman Madanick asked for details of the January 31 incident when a plane deviated from the runway. Mr. Read confirmed that the plane was from a flight school and sustained minimal damage.

Mr. Read advised Commissioners that next month's report will be computer-generated and its appearance will be changed.

MEETING SCHEDULE

Review/Modify 2006 Meeting Schedule

Mr. Gray advised that Council members Lane and Osterman have indicated they would be available to attend a retreat on March 18th.

Mr. Gray noted that it has been seven or eight years since the Commission's last retreat. He reiterated that the City Clerk has requested that all commissions review their purpose, codes, and bylaws. This will be on the agenda at the retreat. An invitation was extended to Council members to attend. Mr. Gray requested that Commissioners send staff any additional agenda items.

Commissioner Guilfooy noted that the Council Sub-Committee is a concern for him. It is important to avoid duplication of effort. Mr. Gray commented that the Sub-Committee's goals are documented, and staff coordinates joint meetings and strives to prevent duplication of effort. Upon further comments by Commissioners, Mr. Gray remarked that the retreat is an opportunity to address issues that the Commission feels need to be addressed.

Vice-Chairman Madanick noted that City elections would take place shortly before the retreat date. It is possible that some current Council members may not be on the City Council at that time. Mr. Gray undertook to send further details in due course.

PUBLIC COMMENT

None.

DIRECTOR'S REPORT

Mr. Gray reported that staff issued an RFP for terminal space for Part 135 operators in the terminal building. Two bids were received and were rejected for non-compliance with the bid specifications. Staff plans to issue a revised RFP in the future.

Mr. Gray noted that Airport Clean-Up Day is scheduled for Saturday, February 11th from 9:00 a.m. to 1:00 p.m.

Mr. Gray explained that for technical reasons, staff would no longer sign information and action reports.

ITEMS FROM THE COMMISSION

Vice-Chairman Madanick reported reading a newspaper report indicating that the new parking garage has been approved. Mr. Gray clarified that the noted parking garage is a surface parking lot. City Council approved the demolition of the existing building, which is expected to occur within the next two weeks.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the regular meeting of the Scottsdale Airport Advisory Commission adjourned at 6:49 p.m.

Respectfully submitted,
A/V Tronics, Inc.